

The Finance and Administration Cabinet maintains a special account under KRS 31.185 that is funded by counties and used for reimbursement of expenses for Department of Public Advocacy (DPA) attorneys representing the indigent, but the GAL and court-appointed counsel fees in HB 395 would not qualify for reimbursement by that fund (or any other fund maintained by the cabinet) if the appointment is of a private attorney and not a DPA attorney. Thus, these funds would be an additional expense on counties.

There can be several thousand involuntary hospitalization proceedings alone each year. It is not possible to determine the number of guardians ad litem or court-appointed counsel that would be appointed under the statutes in question, but of those appointments, there would likely be a high percentage that would ultimately require county reimbursement because of an indigency finding for the primary payment obligor.

The Kentucky Association of Counties reported that the bill would be an unfunded mandate that could have a moderate to significant impact, depending on the number of cases.

Part III: Differences to Local Government Mandate Statement from Prior Versions

Part II, above, relates to HB 395 GA. **The fiscal impact of HB 395 GA is the same as HB 395 HCS 1.** HB 395 GA keeps most of the provisions of HB 395 HCS 1, but makes the following change as it relates to the local mandate:

- deletes the change to KRS 387.305 that required payment of the GAL by the respondent, or, if indigent, by the county under KRS 387.305 (appointment for guardianship/conservatorship of minors who are defendants in civil actions). This returns the language to its current form under existing law. The overall impact is to slightly reduce the impact on counties, but the impact could still be moderate to significant depending on the county, number of guardian requests, number of persons qualifying as indigent, and the county budget.

The fiscal impact of HB 395 HCS 1 was moderate to significant, which was the same as for HB 395 as introduced. HB 395 HCS 1 kept most of the substantive provisions of HB 395 as introduced, but made the following change as related to the local mandate:

- amended KRS 387.305 to require a county to pay the guardian ad litem fee (up to \$500) if the respondent (a minor child who is a defendant in a civil action) is indigent. HB 395 HCS 1 removed the \$500 cap on the GAL fee, within the introduced version and was the responsibility of the plaintiff, but HB 395 HCS 1 reinstated the \$500 cap as the county's responsibility if the respondent/defendant (who now owes the fee) is indigent.

Data Source(s): LRC Staff; Finance and Administration Cabinet; Administrative Office of the Courts; Kentucky Association of Counties

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